

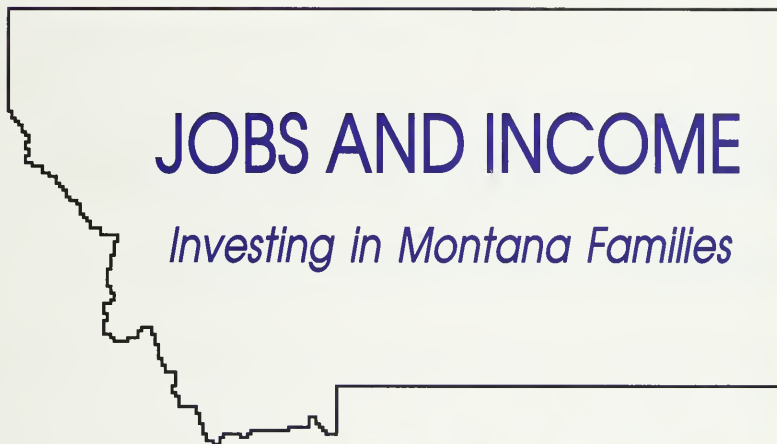
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Jobs and income

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# JOBS AND INCOME

*Investing in Montana Families*

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## Governor's Blueprint for Economic Development

EXPANDED VERSION

<http://www.state.mt.us>

### DATE DUE

SEP 15 2003					
AUG 18 2004					

# PREFACE

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This document is an expanded version of *Jobs and Income—Investing in Montana Families Highlights* pocket book. It contains more details of the Governor's strategies to increase jobs for Montanans as well as their income. This document incorporates the recommendations of the Governor's Vision 2005 Task Force on Agriculture, the Governor's Task Force on Research and Development, Montana Jobs, and input from numerous State and local agencies. It also contains sections on the Legislative Agenda, Annual Funding, and a Key Contacts list.

Copies of this document are available from any State agency. The *Highlights* also are available at <http://www.state.mt.us>, Montana's home page on the Internet.

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# RESULTS 2005

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## *Jobs and Income*

- Move personal income from 46th to 39th in the nation
- Double the economic value of agriculture
- Increase the number of liveable wage jobs by 15%
- Increase irrigated acres by 500,000
- Reduce the number of multiple job holders from 10.2% to 8%
- Double manufacturing employment from 6.7% to 13.4%
- Double the value of the livestock industry
- Increase the accessibility of high-speed telecommunications services by 30%
- Increase the number of small businesses that annually receive ongoing assistance by 25%
- Market one million hogs annually
- Make available on-line electronic small business assistance programs throughout the state
- Double the amount of revenue generated from film and advertisement production and double the number of Montana crew members



# GOVERNOR'S PERSPECTIVE

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**It's time for Montana to take an economic inventory.**

## **On the plus side . . .**

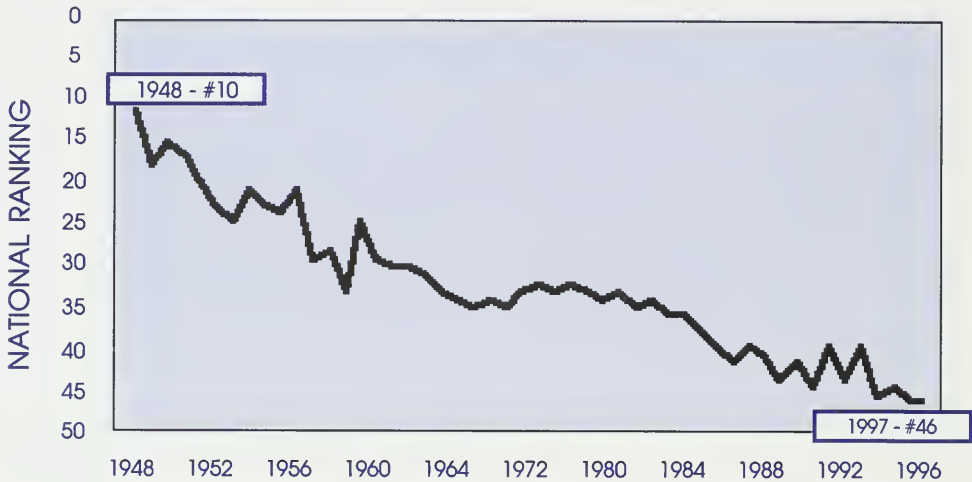
- +** Vast natural resources and a rural heritage that ties our hands to the land and our hearts to the landscape
- +** A strong educational system that prepares Montanans to compete in a global economy and lead self-reliant and self-fulfilling lives
- +** Safe and civil communities where workers want to live and raise their families
- +** A work ethic that delivers a full measure every day
- +** Expanding research infrastructure that helps solve Montana problems and creates new commercial opportunities
- +** Geographical position that lets Montana be a major gateway to the global economy

## **On the negative side . . .**

- Low average wages of our work force—50th in the nation<sup>1</sup>
- Steady decline in our per capita income, now 46th in the nation (chart 1)
- An abundance of multiple job holders—the highest in the nation (chart 2)
- Job growth in the lower-paying service and retail trade sectors of the economy and a decline in traditionally high-paying jobs (chart 3)
- Declining per capita personal income now at 78 percent of the national average and lower than our neighbors (chart 4)
- Growing population disparity between eastern and western Montana (chart 5)
- Exodus of many young, college-educated Montanans, the ones most likely to build Montana's economic future

# CHART 1

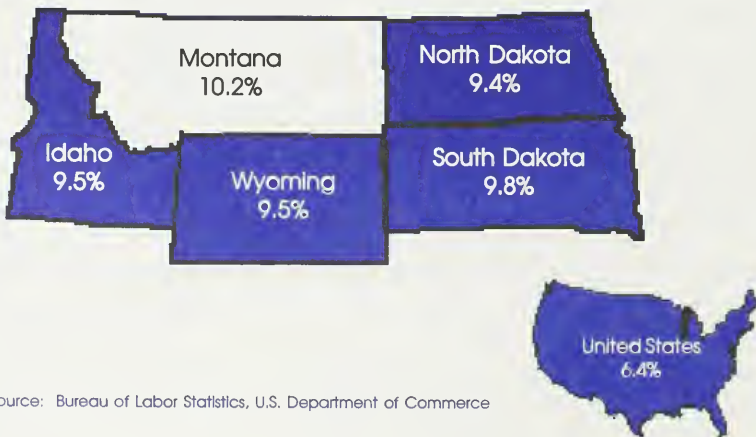
## MONTANA PER CAPITA INCOME 1948 - 1997



Source: Bureau of Economic Analysis, U.S. Department of Commerce

# CHART 2

## MULTIPLE JOB HOLDERS - 1996 PERCENT OF EMPLOYED



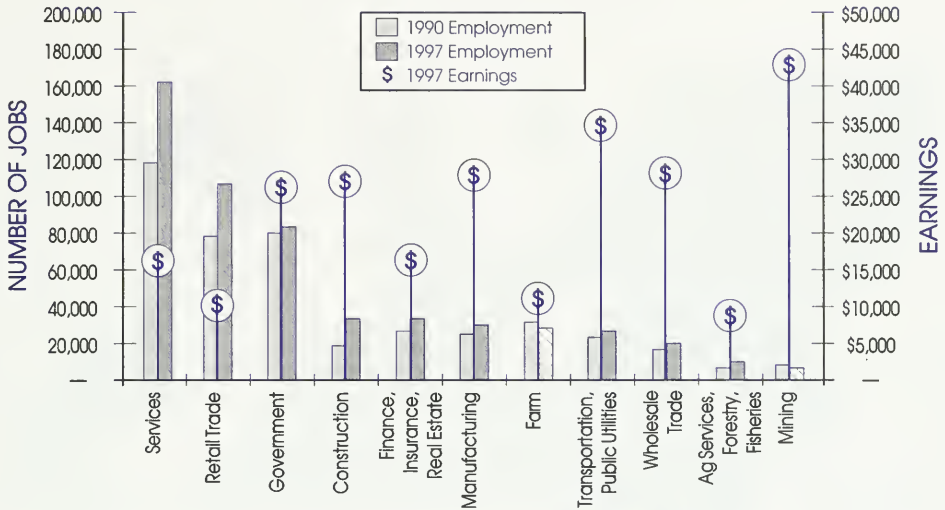
Source: Bureau of Labor Statistics, U.S. Department of Commerce



## CHART 3

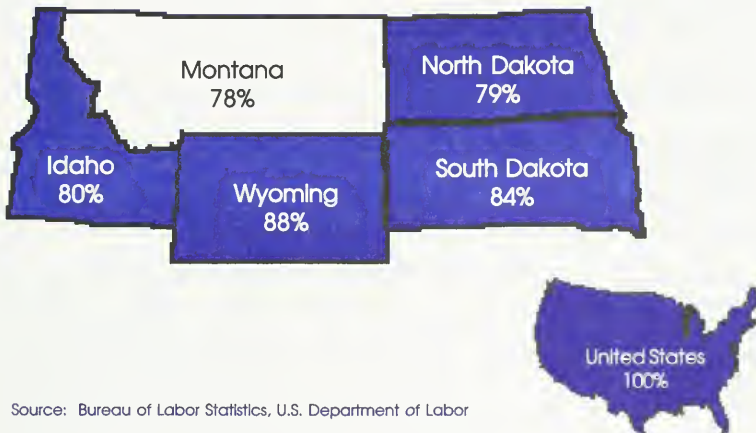
### MONTANA ANNUAL EMPLOYMENT AND EARNINGS BY INDUSTRY

Full and Part-Time Employment (Including Proprietors)



## CHART 4

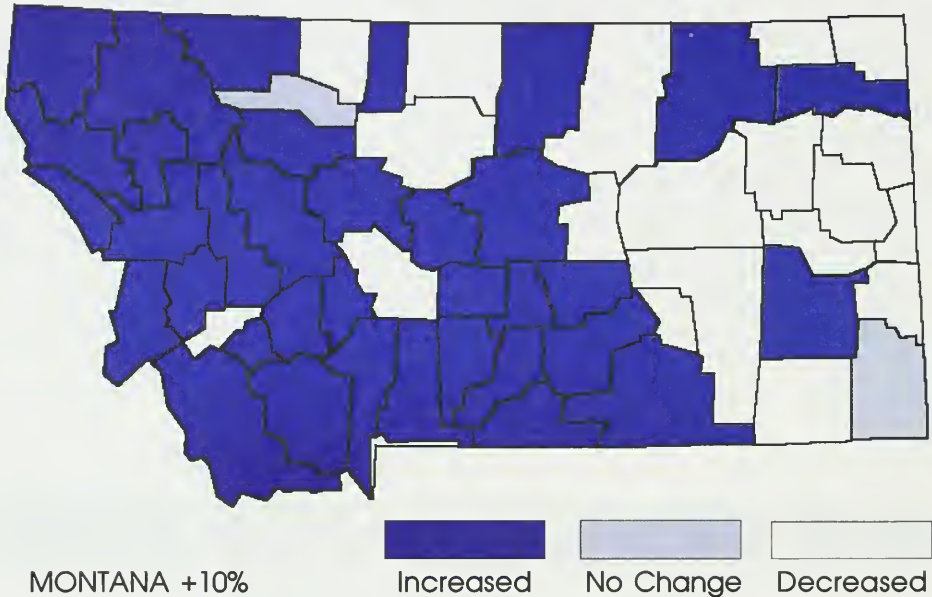
### PER CAPITA PERSONAL INCOME - 1997 PERCENT OF THE NATIONAL AVERAGE



Source: Bureau of Labor Statistics, U.S. Department of Labor

## CHART 5

### MONTANA COUNTY POPULATION PERCENT CHANGE 1990 - 1997



Source: U.S. Bureau of the Census

## GOVERNOR'S PERSPECTIVE

---

*Jobs and Income* protects what Montana has and gives us the tools to fix the economic dilemma we face.

*Jobs and Income* starts the ball rolling toward a long-term healthy and diverse economic climate and a steady increase in high-paying jobs.

*Jobs and Income* sets up specific, measurable goals for us to reach by the year 2005.

*Jobs and Income* proposes ways to help communities remain vital and in control of their own destinies. Too many local communities—the center of our social and economic lives—are in serious jeopardy.

*Jobs and Income* will allow Montanans to keep more of the money they make to take care of themselves and their families.



# GOVERNOR'S PERSPECTIVE

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***Jobs and Income*** will help build good-paying, sustainable jobs in industries that are environmentally compatible with local values and community expectations.

***Jobs and Income*** provides for business expansion across all sectors of the economy and in all parts of the state, east and west, north and south.

***Jobs and Income*** will help Montana businesses compete nationally and globally by arming them with knowledge about how to promote their products and services and access new markets.

***Jobs and Income*** is a blueprint for building high-value agri-businesses and expanding our manufacturing base.

***Jobs and Income*** will improve state and local community infrastructure so we are not locked out of electronic commerce and so our citizens can continue to turn on the tap and enjoy a glass of clean, fresh water.

***Jobs and Income*** is not “one size fits all.” It’s about State and local partnerships between everyone who has a stake in our future—each citizen, community, business, farmer, rancher, manufacturer, lender, educator, and government.

Being the Last Best Place isn’t about being last. It is about our quality of life, our commitment to children, the environment, and privacy. It’s about the value we place on families and communities and the concern we have about securing economic well-being for all Montanans.

The quality of our future depends upon the choices we make today. It will take courage to make tough decisions, perhaps even to make some mistakes, and the resolve to accept that “It’s Not Business As Usual.” Montana has made many investments, but now we need to make our most important investment—in ourselves. For it is Montanans that make Montana The Last Best Place.

## NOTE

1. Congressional Quarterly State Fact Finder 1998, Rankings Across America



# STRATEGIES

STRATEGIC BUSINESS EXPANSION  
MARKET DEVELOPMENT  
HIGH-VALUE PRODUCTS  
BUSINESS TECHNICAL ASSISTANCE  
SKILLED WORK FORCE  
LOCAL CAPACITY  
TAXES AND REGULATIONS



# STRATEGIC BUSINESS EXPANSION

BUSINESS RECRUITMENT

FINANCE

GROWTH THROUGH AGRICULTURE

INCOME TAX CREDIT FOR JOB TRAINING

ECONOMIC GROWTH



# BUSINESS RECRUITMENT\_\_\_\_\_

*Promote Montana as a desirable business location to a targeted group of businesses.*

## COST

\$425,000 annually

## STAFF

1.25 FTE

## RESPONSIBLE ENTITIES

Governor's Office

Montana Department of Commerce

Montana Department of Agriculture

Montana Department of Labor and Industry

## FUNDING SOURCES

General Fund

## ACTION NEEDED

Create a permanent business recruitment office to coordinate business expansion opportunities for the State. Conduct a national site location survey, select target industries that meet Montana's new business location criteria, and conduct a proactive business attraction campaign including trade advertising and targeted business recruitment missions.

## BENEFITS

Improving the perception of Montana's business climate by identifying and marketing the state as an attractive location to expanding businesses will result in new employment opportunities for Montanans by paying good wages. It will also diversify the Montana economy, making us less reliant on a few industries which will minimize our risk during times of economic uncertainty. This strategy is a key ingredient in the goal to double the economic value of agriculture and double Montana manufacturing jobs by 2005 as well as increase our average annual income.

*"We need to recruit multinational corporations to locate in Montana—to spend their billions of research dollars here. These efforts are occurring with or without us. Montana must be actively involved in recruiting those businesses to our state."*

Ron Ueland,  
United Agri-Products,  
Vision 2005 Task Force  
Member

*"... need to advertise Montana as a good location to do business just as we do tourism."*

Focus Group



# FINANCE

## Board of Investments Infrastructure

*Develop finance strategies that complement private and federal programs by providing a spectrum of financing options for small business to create better paying jobs in Montana.*

### COST

None

### STAFF

Existing

### RESPONSIBLE ENTITIES

Montana Department of Commerce

Montana Board of Investments

### FUNDING SOURCES

Not Applicable

### ACTION NEEDED

Reduce the current minimum loan limit for Montana Board of Investment Infrastructure Loans from \$500,000 to \$250,000 and job creation threshold from 50 to 25 new jobs. Provide interest rate incentives for higher wage employment. This financing program allows local governments to borrow funds from the Board of Investments to meet infrastructure needs such as water, sewer, and roads for a business entity, which in turn repays the local government. The local government then repays the Board of Investments.

### BENEFITS

Currently, only 4% of Montana businesses qualify for this program because of the minimum job creation threshold of 50. Reducing the number of jobs to 25 will more than double the number of eligible companies that can access this business development incentive. In addition, it will open participation to a number of communities in the state that are unlikely to locate a business creating at least 50 jobs. This form of financing incentive will allow local governments and Montana to compete for business relocation and expansion projects that otherwise would not be possible while building and maintaining community infrastructure needs.

*"Unlike many other states, Montana does not have expansion or location incentives available for business development—especially in our smaller rural communities."*

Focus Group





# FINANCE

## *Increase Board of Investments Loan Participation*

*Develop finance strategies that complement private and federal programs by providing a spectrum of financing options for small business to create better paying jobs in Montana.*

### **COST**

None

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Department of Commerce

Montana Board of Investments

Montana Department of Agriculture

Montana Bankers Association

Montana Independent Bankers Association

*"Most of the states I am aware of invest heavily in their own business base. This results in better jobs, a diversified economy, and increased local and state revenue. We need to do a better job of investing in ourselves."*

Focus Group

### **FUNDING SOURCES**

Not Applicable

### **ACTION NEEDED**

Market, package, and present business financing packages to the Montana Board of Investments to increase the number and percentage of investments in Montana that diversify, strengthen and stabilize the Montana economy.

### **BENEFITS**

State statute currently provides for the investment of up to 25% of the Coal Tax Trust Fund in Montana. Based upon the current value of the trust, approximately \$150 million can, by law, be invested in Montana companies. The latest annual report for the Board of Investments shows that only 16.3% of the Coal Tax Trust was invested in Montana business. Furthermore, analysis of the portfolio over time shows that only 5 - 10% of the commercial loans were to manufacturing businesses—those businesses that add value to Montana resources that are sold outside the state. Marketing the programs offered to Montana businesses through the Board of Investments will result in investments in our own businesses, in a stronger manufacturing sector for our economy, and better paying jobs to our citizens.





# FINANCE

## Department of Natural Resources and Conservation Bonds

*Increase the bond authority of the Department of Natural Resources and Conservation to provide more loans to farmers to expand irrigation equipment.*

### COST

\$390,000 annually

### STAFF

Existing



### RESPONSIBLE ENTITIES

Montana Department of Natural Resources and Conservation

Montana Department of Agriculture

### FUNDING SOURCES

\$330,000 General Funds

\$60,000 Federal/Montana Growth Through Agriculture/ Private

### ACTION NEEDED

To assist and encourage irrigation development in Montana, an increase of \$10 million in general obligation bond authority to the private loan program is proposed. This would double the capacity of the existing program to help expand irrigated lands.

### BENEFITS

The Department of Natural Resources and Conservation's private water development loan program has been in existence for more than 15 years. This successful program has provided much needed capital for the purchase of sprinkler irrigation systems across the state. As established by the Governor's Vision 2005 Task Force on Agriculture, our goal is to increase Montana's irrigated lands by 500,000 acres. Establishment of irrigation is sometimes cost-prohibitive in the short-term. In order to expand Montana's production base, it is important that the State provide the potential for low-interest loans to producers who are seeking to develop irrigation. Increasing irrigated acres is directly related to agriculture's ability to grow high-value crops. Only through the application of irrigated water can the croplands produce the quantity and quality of product that the market demands. This program will assist Montana's producers in increasing the amount of land under irrigation and improve the water-use efficiency of the lands already irrigated.



# FINANCE

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## Department of Natural Resources and Conservation Renewable Resource Grants

*As part of a proposal to change the allocation of Resource Indemnity Tax assessments and trust fund earnings, an increase in Renewable Resource Grant funding is planned in part for the development of irrigation infrastructure among other changes.*

### **COST**

\$2 million

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Department of Natural Resources and Conservation

Montana Department of Agriculture

### **FUNDING SOURCES**

Resource Indemnity Trust (RIT) Interest Earnings

### **ACTION NEEDED**

The Renewable Resource Grant program funds a variety of natural resource projects including irrigation system development and rehabilitation, water system improvements, stream restoration programs, and planning studies. This program has seen increasing demand over the past decade, and it is expected to see even greater demand as the overall strategy to increase the value of Montana agriculture begins to take effect. In order to meet the increased need for financial assistance, this proposal will increase by \$1.5 million the amount of grant funds available for irrigation projects and will provide an additional \$500,000 for planning grants.

### **BENEFITS**

The increase in grant funding will provide the additional financial resources needed to implement the goal of doubling the value of Montana agriculture by the year 2005. Local governments will directly benefit from this additional grant funding. Included under this proposal will be existing and new irrigation districts that seek to expand irrigated acres or repair existing facilities. Also, communities seeking infrastructure financial assistance will benefit from both the additional grant dollars and planning assistance. Ultimately, it is the residents served by the local governments that will benefit from lower rates and the natural resource benefits of the projects developed.



# FINANCE

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## VentureStar

*Develop and commit to incentives to locate the VentureStar project to Montana.*

### COST

None

### STAFF

Existing

### RESPONSIBLE ENTITIES

Montana Department of  
Commerce

### FUNDING SOURCES

Not Applicable

### ACTION NEEDED

For Montana to remain competitive with proposals from 14 other states for the siting of a spaceport to launch and retrieve the VentureStar reusable launch vehicle, Montana must provide a reasonable incentive package. Primary incentives include an exemption from business equipment taxes on items used for operations of the spaceport. Additionally, it is necessary to provide basic infrastructure to the Montana site preferred by Lockheed-Martin for final development of a national spaceport. The required infrastructure, including water, wastewater treatment, and surface access, is critical to a successful site location. Funding for spaceport infrastructure will be secured from the authorized sale of \$20 million in state bonds, payable from state revenues derived from VentureStar operations.



### BENEFITS

The VentureStar Reusable Launch Vehicles (RLV) project is the next evolutionary stage in space vehicles. A prototype one-half scale demonstration vehicle, the X-33, is scheduled for test landings in Montana in 1999. As a replacement for the aging space shuttles and conventional rockets, the VentureStar project will provide space transport for the next century, with both passenger and cargo (satellite) capabilities. The projected labor force of 2,000 - 3,000 employees would not only provide a unique opportunity for Montana workers and our university graduates to secure well-paid positions, but a site location in Montana would inevitably result in additional aerospace industries being attracted to the state. With a successful site location of a VentureStar spaceport in Montana, aerospace operations would become a major industry with unprecedented revenue potential to the state. Significant employment and revenue opportunities would be forever lost if Montana is unable to provide a reasonable and competitive location incentive package.



# FINANCE

## *Small Business Investment Companies*

*Develop finance strategies that complement private and federal programs by providing a spectrum of financing options for small business to create better paying jobs in Montana.*

### **COST**

None

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Department of Commerce  
Montana Ambassadors

### **FUNDING SOURCES**

Not Applicable

### **ACTION NEEDED**

Amend Montana statute to eliminate conflicts with federal regulations dealing with Small Business Investment Companies (SBIC).

### **BENEFITS**

SBICs licensed by the Small Business Administration are privately organized and privately managed investment firms. With their own capital and funds borrowed at favorable rates through the Federal Government, SBICs provide venture capital to small independent businesses, both new and established. An SBIC in good standing, with a demonstrated need for funds, can receive leveraged federal funds equal to 300% of its private capital. Additional venture capital in Montana is an essential ingredient to developing new and expanding manufacturing and technological start-ups. These businesses will help diversify the economy and create better paying jobs for Montana workers.

*"The biggest problem I'm having in starting my business is that I don't have the necessary equity the bank requires."*

Focus Group





# FINANCE

---

## *Cooperative Development Center*

*Promote assistance and access to financing in the formation of cooperatives.*

### **COST**

\$362,500 annually

### **STAFF**

1.5 FTE

### **RESPONSIBLE ENTITIES**

Montana Department of Agriculture

United States Department of Agriculture - Rural Development

### **FUNDING SOURCES**

\$62,500 General Fund

\$300,000 Federal Funds

### **ACTION NEEDED**

Provide staff to research legislative issues, grant funding, and matching costs regarding the development and establishment of a Cooperative Development Center.

### **BENEFITS**

There is an excellent potential for the development of agriculture producer-owned cooperatives in Montana. Research into cooperative laws in Montana and the creation of a Cooperative Development Center will help in the development and expansion of "new generation" cooperatives. The center will focus on producer-owned cooperatives that help to add value to agriculture commodities produced in the state.

Funding for the Cooperative Development Center includes \$300,000 of federal funds that will then be available for both agricultural and business cooperatives.



# GROWTH THROUGH AGRICULTURE

---

*Create a source of low-cost, long-term capital investment in agriculture and agriculture-related businesses.*

## COST

Additional \$1 million (Montana Growth Through Agriculture Program)

## STAFF

Same staff as requested under Agricultural Product Promotion (pg. 30)

## RESPONSIBLE ENTITIES

Montana Department of Agriculture

## FUNDING SOURCE

General Fund

Montana Board of Investments

## ACTION NEEDED

Identify funding sources already available in Montana. Increase Montana Growth Through Agriculture funding for grant programs aimed specifically at agricultural business feasibility studies, marketing studies, and business plan development.

Allocate funds for low-interest and guaranteed loan programs through the Board of Investments aimed at Montana businesses, with a portion of the board's in-state investments to be managed specifically for agricultural businesses.

## BENEFITS

Agriculture is and will continue to be an important foundation of the state's economy. In order to maintain and expand that base, Montana must be willing to reinvest in its largest industry. Key to agricultural business expansion in Montana is the development of low-cost, long-term capital for investment in agriculture. Often, an entrepreneur has an excellent product, but needs help in developing a feasibility study or market analysis. Providing grants within the existing Montana Growth Through Agriculture program aimed specifically at assisting businesses with feasibility studies, marketing, business plans, and business development activities, gives agricultural businesses the chance to succeed and obtain funding from lending institutions. In addition, the Department of Agriculture will work with the Board of Investments to provide low-interest financing for agricultural projects and business ventures.

*"If we want Montana agriculture and agribusiness to grow, we must step forward and invest our time and dollars in its success. Everyone in agriculture has a key role to play. The issues we face are not short-term problems. We need long-term, lasting, viable solutions."*

Chuck Merja, Chairman  
Vision 2005 Task Force on  
Agriculture





# INCOME TAX CREDIT FOR JOB TRAINING

---

*Maintain and improve the technical workplace skills of Montana employees.*

## COST

None

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Revenue  
Montana Department of Commerce  
Montana Department of Labor and Industry  
Montana Ambassadors  
Montana Economic Developers Association

## FUNDING SOURCES

None

## ACTION NEEDED

Authorize an income tax credit for job training for new employment.

## BENEFITS

Many of the workplace skills required in today's growing technological economy require specific on-the-job or specialized training. Realizing the importance of specific technical training for new and expanding industries, 46 states provide incentives to companies to train their employees to meet new skill requirements. Such skill training and the incentives to provide it has consistently ranked as a top priority for new and expanding companies. A recent survey of the nation's manufacturers indicated that inadequate technical skills were the biggest reason leading to the rejection of job applicants. On-the-job training in technical skills development will help mitigate this factor for our employees. This strategy will lead to more technology related companies in the state and provide important skills training for many of Montana's citizens.

*"Rapidly changing technology requires a more skilled work force."*

Focus Group

*"If I could find all of the trained workers I need or have some help in training new employees, it would be a lot easier to think about expanding my business."*

Focus Group



# ECONOMIC GROWTH

---

*Identify and reserve funding for statewide and local economic development activities.*

## **COST**

Not Applicable

## **STAFF**

Existing

## **RESPONSIBLE ENTITIES**

Montana Department of Commerce

## **FUNDING SOURCES**

Foreign Capital Depository

## **ACTION NEEDED**

Use 25% of any revenue generated from the Foreign Capital Depository Act for economic development activities.

## **BENEFITS**

Having the capability to plan for, promote, respond to, and help create economic opportunities for our citizens is critical. The extent to which Montana will build a strong and diverse economy in the 21st century will hinge, in part, on the strategies included in this economic development process. Many of those strategies will be funded with State general funds. If Montana is successful in licensing one or several Foreign Capital Depositories, part of the revenue from this activity would be reserved for economic development activities like the initiatives outlined in this strategic planning process.

Other states understand the importance of activities that help create good employment and a robust economy and set aside specific funding sources to achieve these goals—everything from state lottery proceeds, a portion of the state sales tax, resource taxes, and others. Contrary to the belief of some, economic growth, diversity, stability, and good jobs for our citizens are in large measure a product of state and local investments as well as sound policy.

*"Economic development is an activity that we need to be more serious about. Good jobs don't just happen, they are competed for by states and countries through state and local policies and programs."*

Focus Group





# MARKET DEVELOPMENT

DOMESTIC AND INTERNATIONAL MARKET ACCESS  
AGRICULTURAL PRODUCT PROMOTION  
INCREASE FILM PRODUCTION IN MONTANA



# DOMESTIC AND INTERNATIONAL MARKET ACCESS

*Identify and Develop Specialty Markets*

*Develop new niche and foreign markets.*

## COST

Grants on a per project basis

## STAFF

Staffed under Agricultural Product Promotion (pg. 30)

## RESPONSIBLE ENTITIES

Montana Department of Agriculture

Montana Department of Commerce

## FUNDING SOURCES

Montana Growth Through Agriculture

USDA Foreign Agriculture Service

## ACTION NEEDED

Develop a coordinated statewide program to enhance foreign and domestic niche markets of Montana agriculture products.

Develop an Educational Marketing Conference with niche marketing education as a key piece.

Determine international and domestic customer needs and form a clearinghouse of niche marketing ideas.

## BENEFITS

Montana producers grow and raise some of the highest quality crops and livestock in the nation. However, they are not always paid a premium for their products. To ease the burden and meet the need to market commodities in a fast-paced global economy, increased marketing assistance both from the Montana Department of Agriculture and from commodity organizations throughout the state can serve as a conduit and provide research into new and existing markets. The Department will: 1) determine international and domestic customer needs and 2) serve as a clearinghouse of niche marketing ideas for producers. In addition, the Department will work with producers, using the Montana Growth Through Agriculture Program, to determine feasibility of niche markets and promote new product development.

*"Montana cannot afford to live in market isolation. We have incredible opportunities to utilize the Montana ambiance to develop markets both in other states and in other countries. However, to accomplish this, we must be willing to invest in market development, enhancement, and promotion of our high quality Montana agriculture and food products."*

Ralph Peck, Director,  
Montana Department of  
Agriculture



# DOMESTIC AND INTERNATIONAL MARKET ACCESS

---

## Marketing Development

*Provide assistance to Montana's small business community on cost-effective strategies and activities that help develop markets, increase sales, and improve profitability.*

### COST

\$100,000 annually

### STAFF

Existing

### RESPONSIBLE ENTITIES

Montana Department of Commerce

Montana Department of Agriculture

### FUNDING SOURCES

General Fund

### ACTION NEEDED

Help companies participate in national and international trade shows. Provide direct technical marketing assistance, market research, and training. Develop a database of industry marketing specialists from around the country that are able to assist Montana businesses.

### BENEFITS

One of the greatest challenges to the success of small and medium-sized manufacturing companies in Montana is finding reliable and profitable markets for their finished goods. It is no longer good enough to be a supplier to one or several large companies. Today's world markets demand marketing strategies that improve profits by targeting specific markets and customers with products and services that are tailored to the needs of their customers. In order to have a chance at success, quality at the right price is necessary. Exposing the right market to a manufacturer's product is critical to the success of the company. Appropriate training, exposure through trade shows and other avenues, and access to experts knowledgeable about key markets are a necessary component to a strong and competitive manufacturing sector in the Montana economy. Effectively implementing these strategies will sustain and create better jobs in Montana, further diversify our economy, and bring new money into the state by expanding the reach of Montana business into other states and overseas.

*"The businesses I talk to agree that finding the right markets for our products is one of the most difficult things about running a business in Montana."*

Focus Group



# DOMESTIC AND INTERNATIONAL MARKET ACCESS

---

## Foreign Initiatives

*Encourage and promote activities that assist in marketing Montana products to national and international markets.*

### COST

\$200,000

### STAFF

2 FTE or contract

### RESPONSIBLE ENTITIES

Montana Department of Commerce

Montana Department of Agriculture

### FUNDING SOURCES

General Fund

### ACTION NEEDED

Increase foreign trade efforts with emphasis on Canada, South America, and the Pacific Rim.

### BENEFITS

This is a critical component of Montana's overall economic development strategy to improve Montana's market penetration of international markets for both agricultural and manufactured goods. Exports accounted for approximately one-third of all U.S. economic growth during the last decade according to a recent report by the National Association of Manufacturers. The report also showed that employees at exporting companies earn an average 15% more in pay and 33% more in benefits than their counterparts at non-exporting companies.

In 1996, Montana's top markets for manufactured products were Canada (\$119.3 million) and Japan (\$35.6 million). Shipments of wheat and wheat products accounted for the bulk of Montana's agricultural export sales (\$746.1 million), with the leading export market being Japan.

*"The State needs to become more proactive in assisting businesses with getting Montana products out on a national and international scale."*

Focus Group

*"Small businesses in Montana tend to think too small. They need to diversify into more or bigger markets in order to survive and continue to grow."*

Focus Group



# DOMESTIC AND INTERNATIONAL MARKET ACCESS

## *Develop New Livestock Markets—Pork*

*Market one million Montana hogs annually by 2005 and two million hogs annually by 2010.*

### **COST**

Grants and loans on a per project basis

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Pork Producers Council

Montana Department of Agriculture

### **FUNDING SOURCES**

Montana Growth Through Agriculture

USDA Foreign Agriculture Service

Board of Investments

### **ACTION NEEDED**

Develop a business system to be competitive. Develop a source supply of 26 million bushels of barley. Develop export markets in Asia. Develop a high-tech operations system. Provide cooperative loans. Develop successful franchises. Provide information and business assistance services to members of the public, producers, and regulatory agencies.

### **BENEFITS**

Hog production is shifting gradually from the midwestern states to western states. In order for Montana to take advantage of this change, the State needs to take a proactive approach in developing confinement hog facilities within its borders. Facilities can be environmentally friendly while increasing producer income and employing members of the community. The Montana Pork Producers Council has already begun work to develop the appropriate business system. By working together, both grain and hog producers can benefit from an increase in Montana's hog industry.

*"Environmentally sound hog facilities have the potential to benefit more than just hog producers in Montana. Grain producers can buy into the process and add value to their grain by owning shares in confinement operations. This is just one way that we can work cooperatively to benefit all of Montana agriculture."*

*Loren Wolery, Montana  
Pork Producers Council,  
Vision 2005 Task Force  
Member*



# DOMESTIC AND INTERNATIONAL MARKET ACCESS

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## *Develop New Livestock Markets—Beef*

*Double the value of Montana's beef cattle industry by adding value to the current production and increasing marketing efforts.*

### **COST**

Grants on a per project basis

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Stockgrowers Association  
Montana Department of Agriculture

### **FUNDING SOURCES**

Montana Growth Through Agriculture

### **ACTION NEEDED**

Develop the Montana Beef Supply Network. Develop legislation needed to create loans for the establishment of a Montana Feeder Cattle Association as well as the necessary permitting. Establish the association.

### **BENEFITS**

The beef industry is becoming more customer-focused, with specific quality and consistency targets being established in all segments of the industry. To meet customer needs and return additional revenue to Montana beef producers, a systems network must be in place that will ensure that a quality and consistent product is being produced. Data should be provided for verification of the product, and a free flow of information from producer to end product promoted.

*"Montana producers are recognized for producing a quality product, but we don't get paid a premium for it. There is excellent potential for adding value to the livestock industry through backgrounding, fattening, slaughtering, and processing cattle right here in Montana."*

Lynn Cornwell, Montana  
Stockgrowers Association,  
Vision 2005 Task Force  
Member



# DOMESTIC AND INTERNATIONAL MARKET ACCESS

## *Develop New Livestock Markets—Sheep*

*Double the value of Montana's sheep industry through adding value to current production and increased marketing efforts.*

### **COST**

Grants on a per project basis

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Wool Growers Association

Montana Department of Agriculture

Montana Stockgrowers Association

### **FUNDING SOURCES**

Montana Growth Through Agriculture

Montana Department of Livestock Predator Control Funds

### **ACTION NEEDED**

Promote and develop sheep and lamb production in Montana. Identify areas where sheep can be placed on weed infestations and utilize funding sources, including the Noxious Weed Trust Fund, for those placements. Strengthen predator control by doubling control efforts. Develop alternative crops for feeding (develop the irrigation systems necessary for alternative crop development). Establish the market that offers the return to increase production volume.

### **BENEFITS**

The sheep industry in Montana has declined in recent years, partly due to economic changes in some of the key wool markets. In order to sustain and increase the sheep industry in the state, it is important that Montana look to non-traditional wool and meat markets while also looking for creative opportunities in lamb production. These include weed control and utilization of alternative crops for feeding.

*"With sheep numbers declining in Montana, we are also starting to lose our support industry—the shearers, buyers, etc. It is hard to get new producers involved and interested when the support industry leaves the area. When we look at options like using sheep for weed control and range improvement, it provides new opportunities for producers to at least sustain, if not increase, their numbers, making it more viable for the support industry to remain in Montana as well."*

Ron Devlin, Montana Wool Growers Association, Vision 2005 Task Force Member





# AGRICULTURAL PRODUCT PROMOTION

---

*Increase domestic and international Montana agricultural product sales by 500% from opportunities made by Montana Department of Agriculture marketing teams.*

## COST

\$197,000

## STAFF

2.5 FTE

## RESPONSIBLE ENTITIES

Montana Department of Agriculture

## FUNDING SOURCES

Montana Growth Through Agriculture

## ACTION NEEDED

Identify the opportunities and resources available for Montana's agricultural products. Develop and improve communication between agricultural teams and companies. Receive, develop, and fill trade leads from both domestic and international sources. Assist agricultural businesses with response development and in delivering responses to the appropriate market. Provide timely and efficient follow-up—distribution, financing, marketing, feedback, and cultural exchange.

## BENEFITS

In order to increase our agricultural bottom line in the state, it is critical that markets are well-established. Expanding the efforts of Montana Department of Agriculture marketing teams, with the resultant target of 500% increase in domestic and international Montana agricultural product sales from opportunities made by the marketing teams, is a key component to ensure that Montana's products match the markets available.







# INCREASE FILM PRODUCTION IN MONTANA

---

*Re-establish Montana as a preferred filming location.*

## COST

None

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Commerce (Travel Montana)

## FUNDING SOURCES

Not Applicable

## ACTION NEEDED

Authorize an income tax credit for hiring Montana labor and purchase of Montana goods and services by non-indigenous motion picture production companies equal to 20 - 30% of the wages or expenses paid with expenditures exceeding \$500,000 to \$1 million. Provide State-owned property and land as filming locations to bona fide production companies at no charge.

## BENEFITS

Recoup the \$47 million lost in the past seven years from the decrease of in-state film production, make the state competitive with other filming locations, in particular Canada, and increase jobs and revenues for local businesses.

Offer additional incentives to a motion picture company to choose Montana as a location, which increases the economic benefit gained by Montana while raising the state's visibility as a "film-friendly" location.

*"Films that are shot in Montana bring new money into our economy that greatly benefits main street businesses."*

Focus Group



# HIGH-VALUE PRODUCTS

ALTERNATIVE CROPS  
TECHNOLOGY TRANSFER AND USE  
AGRICULTURE CHECK-OFF PROGRAM  
SMALL BUSINESS INNOVATION RESEARCH GRANTS



# ALTERNATIVE CROPS

---

*Fully fund, through public and private partnerships, agricultural research necessary to grow Montana's economy.*

## **COST**

\$3 million

## **STAFF**

University

## **RESPONSIBLE ENTITIES**

Montana State University

Montana Department of Agriculture

## **FUNDING SOURCES**

Private Industry

Producer Check-off Dollars

General Fund

## **ACTION NEEDED**

At a minimum, continue the current level of general fund support for Montana Agricultural Experiment Stations. Increase the general fund by \$1.5 million with specific increases in funding of research projects that will help meet the goal of doubling the economic value of agriculture. Specific targets include added value livestock research, added value crops research, and identification of high-value crops and cropping systems for the expansion of irrigated acres. Show producer support through expansion of existing check-off programs to other crops and livestock. Selection of research projects for funding will be made by a producer committee as is currently done with the Montana Wheat and Barley Committee. Request that the Montana Agricultural Experiment Stations expand public/private partnerships as a means of enhancing research outputs. Provide incentives through the University of Montana to attract privately funded agricultural research programs.

## **BENEFITS**

Montana's agricultural research is largely based at the state's land grant University, Montana State University - Bozeman. The research performed there and at the Agricultural Experiment Stations around the state provides vital information for producers looking to improve their income by expanding or improving their production. In order to make research more applicable to both the producer and consumers, an opportunity exists to focus research not only on producer needs, but on consumer desires as well. Research provides the perfect conduit to produce a commodity appropriate for our climate that the producer wants and the consumer will buy.



# TECHNOLOGY TRANSFER AND USE

*Research and Commercialization Commission*

*Establish a Montana Research and Commercialization Commission to develop and implement a research and commercialization plan; oversee required match funds for university research projects; and provide general support for technology growth.*

## **COST**

\$5.71 million annually

## **STAFF**

Existing Montana Department of Commerce

## **RESPONSIBLE ENTITIES**

Research and Commercialization Commission  
attached to the Governor's Office  
Commission's Executive Director  
Montana Board of Regents  
Montana Department of Agriculture  
Montana Department of Commerce

*"A tangible commitment to R&D will improve the scientific infrastructure of Montana, address the challenge of putting research into a commercially usable form, and help the state retain our own recent science and engineering graduates."*

Governor's Task Force  
on Research and  
Development

## **FUNDING SOURCES**

\$4.21 million General Fund  
\$1.5 million Coal Tax Earnings

## **ACTION NEEDED**

Pass legislation to establish a permanent science advisory commission attached to the Governor's Office and staffed by the Department of Commerce. The commission will have nine members, seven voting members and two ex officio members. Four members will be permanent, with five members appointed by the Governor.

## **BENEFITS**

Technology offers Montana a chance to break away from the state's traditional economic constraints of geographic location, unpredictable commodities markets, and sparse population. Creating a broader commercial base, focusing on technology development and utilization will increase per capita income, job choice for Montana workers, and predictability for State revenues. Research skills are increasingly critical to workers in the coming century as industry moves toward a higher reliance on intellectual capital and production through technology. Providing environments where students and workers can develop research skills prepares Montanans for careers that pay higher salaries and provides the foundation for building the state's technology capacity. Helping Montana's economy and its workers transition into a work environment based in technology will be a long-term effort requiring sufficient human, financial, and time resources to realize the full benefits to Montana.



# TECHNOLOGY TRANSFER AND USE

## *Manufacturing Extension Services*

*Make experienced manufacturing expertise available to small business manufacturers at a reasonable cost.*

### **COST**

\$708,000 annually

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Manufacturing Extension Center  
Montana Department of Commerce

### **FUNDING SOURCE**

\$200,000 General Fund  
\$508,000 Federal Funds

*"Business owners need to better educate themselves about production management issues in order to survive. Keeping up with all of the technology changes in our business is difficult, and implementing new methods and procedures is even more difficult."*

Focus Group

### **ACTION NEEDED**

Continue to provide experienced manufacturing engineering expertise at a reduced cost to small manufacturing companies through the Montana Manufacturing Extension Center (MMEC) at Montana State University. Engineers are assigned regions of the state and are located in Missoula, Kalispell, Helena, Bozeman, and Billings. This funding will provide partial match for \$508,000 in federal revenue expected each year for the next biennium.

### **BENEFITS**

Montana was one of the last states to initiate a manufacturing extension program sponsored in part by the National Institute of Standards and Technology. The pace of change in manufacturing methods and technology requires that Montana's small manufacturers receive professional engineering assistance in order to meet the challenge of world competition. Without this assistance, manufacturing companies from other states and countries will, over time, produce superior products at lower costs. By improving the efficiency of our small manufacturing companies, they will realize increased profits, there will be more long-term jobs with better wages, and revenues for state and local governments will rise. Small Montana manufacturers receiving technical assistance from MMEC in 1997 reported additional capital investments of approximately \$3 million as a direct result of that assistance with projected increased sales exceeding \$5 million annually.



# TECHNOLOGY TRANSFER AND USE

## Agriculture Extension Services

*Enhance Montana Manufacturing Extension Program, Montana State University Extension Service, and Montana Techlink efforts in agriculture business and utilize the Montana Extension Service along with these groups to ensure that research is transferred to the agricultural industry.*

### COST

\$90,000

### STAFF

Existing

### RESPONSIBLE ENTITIES

Montana Manufacturing Extension Center  
Montana State University Extension Service  
Montana Department of Commerce  
Montana Department of Agriculture

### FUNDING SOURCE

General Fund

### ACTION NEEDED

Provide consulting services to the Montana agri-business recruitment specialist through both the Montana Manufacturing Extension Center and Techlink in the cases where food processing or agricultural manufacturing is the company being recruited. Montana State University - Bozeman will coordinate a task force to look at extension programs and redesign them as necessary.

### BENEFITS

Montana has a number of programs throughout the state geared toward helping producers, processors, wholesalers, and retailers. In order to utilize those programs most effectively in business recruitment, development, and expansion, it is key that all programs work in concert to provide expertise in their respective areas. Often, individuals involved in Montana's agricultural industry are unaware of the opportunities available through extension, the Montana Manufacturing Extension Program, and Techlink. The strategies provide an opportunity for cross-organizational business development in agriculture.

*"The Montana Manufacturing Extension Center and Techlink have both demonstrated great success in assisting businesses in Montana. They are looking forward to increasing their efforts in agriculture."*

Tom McCoy,  
Montana State University,  
Vision 2005 Task Force  
Member





# AGRICULTURE CHECK-OFF PROGRAM\_\_\_\_\_

*Provide legislation for the development of voluntary industry check-off programs.*

## COST

None

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Agriculture  
Montana's Agricultural Organizations

## FUNDING SOURCES

Not Applicable

## STRATEGY

Pass legislation to allow agribusiness check-off programs.

## BENEFITS

This industry legislative proposal, if adopted, would enable the growers and producers of Montana agricultural commodities to implement a marketing and/or research check-off program for their respective commodity, under authority of a generic agricultural commodity crop marketing and research enabling act. Implementation of a program would be voluntary, based on referendum vote of the growers and producers of the respective commodity. The amount of the check-off and means of collection would vary based on the specific agricultural commodity. The types of research and marketing conducted would be driven by the needs of each specific commodity group.

*"More R&D is needed to develop products that will keep Montana visible in a worldwide marketplace."*

Governor's Vision 2005 Task Force on Agriculture

*"Both the state and the private sector need to put more dollars into R&D."*

Focus Group





# SMALL BUSINESS INNOVATION RESEARCH GRANTS

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*Generate good paying jobs through the development of technology-based businesses.*

## **COST**

\$150,000 annually

## **STAFF**

1 FTE

## **RESPONSIBLE ENTITIES**

Montana Department of Commerce  
Montana Governor's Office

## **FUNDING SOURCES**

\$50,000 General Fund  
\$100,000 Federal

## **STRATEGY**

Increase the number of Small Business Innovation Research (SBIR) grants in Montana by providing technical assistance to aid Montana companies in successfully competing for more than \$1 billion in federal research and development grant funding distributed annually to for-profit small businesses.

## **BENEFITS**

Increasing the number of SBIR grants will play a key role in creating a growing technology business in the state. Quality jobs will be generated for Montana residents and university graduates; quality growth industries will evolve; the Montana University System will have a broader in-state outlet for university technology generated on campus; and Montana's natural resource industries will benefit from the development of value-added technologies. A primary goal of this strategy is to quadruple the number of SBIR grants that Montana companies compete for and win by 2005.





# BUSINESS TECHNICAL ASSISTANCE

SMALL BUSINESS DEVELOPMENT CENTERS  
AGRICULTURE BUSINESS ASSISTANCE  
RAIL TRANSPORTATION TECHNICAL ASSISTANCE



# SMALL BUSINESS DEVELOPMENT CENTERS \_\_\_\_\_

*Provide quality training opportunities and technical assistance related to small business ownership principles and practices.*

## COST

\$278,000 annually

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Commerce  
Small Business Administration

## FUNDING SOURCES

\$125,000 General Fund  
\$153,000 Federal Funds

## ACTION NEEDED

Provide an appropriate share of State funding to match federal and local funding for Small Business Development Centers (SBDCs). Increase the number of SBDCs and expand the ability of SBDC staff to provide service within their communities and in the geographic regions they are assigned. SBDCs are currently located in Wolf Point, Havre, Kalispell, Missoula, Great Falls, Colstrip, Billings, Bozeman, Helena, and Butte.

## BENEFITS

Increase the revenues, sales, and job growth of small Montana businesses across the state, by providing individual technical assistance to Montana's small business community. Montana has consistently ranked among the top states in new business formation. The technical assistance provided by SBDCs in providing skills training to these new entrepreneurs reduces the risk of failure and promotes sales, job growth, and profitability.

In 1997, over \$21 million in loans were received by 223 small Montana companies working with the SBDC Network. In 1997, the funding created and/or maintained over 1,000 jobs in Montana.

*"Business owners, especially new ones, need management technical assistance in order to survive."*

Focus Group

*"... provide more operating funds for local programs which provide management assistance and finance for business."*

Focus Group



# AGRICULTURE BUSINESS ASSISTANCE

---

*Identify the infrastructure for business development assistance and educate businesses concerning business assistance options.*

## **COST**

\$170,000

## **STAFF**

2.25 FTE

## **RESPONSIBLE ENTITIES**

Montana Department of Agriculture

## **FUNDING SOURCES**

General Fund

## **ACTION NEEDED**

Provide two project manager/business assistance staff within the Department of Agriculture to follow through with agriculture business development. Develop hard copy and electronic information for business assistance and irrigation services that identifies the infrastructure for agriculture business development assistance. Link all information to Montana Techlink, Montana State University Extension Service, and the Montana Manufacturing Extension Center.

## **BENEFITS**

In addition to large business expansion, many new and small businesses are looking for business development assistance and networking. Agriculture is a unique industry with unique business issues and opportunities. In order to best serve Montana's agricultural industry, it is key that individuals with agricultural experience are available to assist with business start-up, funding, regulatory requirements, and other key issues. In addition, with the advances in technology through the use of the Internet and other sources, it is critical that business assistance information be provided through all available mediums for distribution to interested individuals.



# RAIL TRANSPORTATION TECHNICAL ASSISTANCE \_\_\_\_\_

*Hold quarterly meetings with directors of the departments of Transportation, Agriculture, and Commerce to consider rail issues.*

## **COST**

\$50,000 annually

Language will be included in HB 2 to allow for additional authority if necessary

## **STAFF**

Existing

## **RESPONSIBLE ENTITIES**

Montana Department of Transportation

Montana Department of Agriculture

Montana Department of Commerce

## **FUNDING SOURCES**

\$25,000 State Special Revenue (Transportation)

\$25,000 Private

## **ACTION NEEDED**

Provide improved rail representation within state government by holding quarterly meetings of the directors of the departments of Transportation, Agriculture, and Commerce to consider rail issues including the possibility of providing a professional to counsel and represent the State on agricultural rail transportation issues.

## **BENEFITS**

Close coordination between department directors will ensure identification of opportunities for joint efforts and potential need for consultant assistance.



# SKILLED WORK FORCE

BUSINESS START-UP AND EXPANSION TRAINING  
APPRENTICESHIP TRAINING  
MICROLOAN TECHNICAL TRAINING



# BUSINESS START-UP AND EXPANSION TRAINING \_\_\_\_\_

*Improve and expand the start-up and workplace skills of Montana's work force.*

## **COST**

\$85,000 annually

## **STAFF**

Existing

## **RESPONSIBLE ENTITIES**

Montana Department of Commerce  
Montana Department of Agriculture  
Montana Department of Labor and Industry  
Montana Department of Public Health and Human Services

## **FUNDING SOURCES**

General Fund

## **ACTION NEEDED**

Expand the NxLevel small business entrepreneurial training program for start-ups as well as for K-12 students. This program was initiated in 1994 by U.S. West through the Department of Commerce with a \$45,000 grant. Funding has been reduced to \$20,000 per year, while the demand for training has steadily increased.

## **BENEFITS**

Continuation of this program at increased funding levels will enhance the technical and management skills of current and future business owners. Training will improve the profitability of small companies and reduce the risk of closure for individual owners. According to U.S. West, in states where entrepreneurial training was provided, sales growth for businesses attending averaged 27%, average employment growth was 18%, and over 93% of those taking the course in 1996 are still in business.

*"I have attended a number of small business training classes, and NxLevel is by far the best I have seen in preparing me for success in my small business."*

Focus Group

*"The excellent work ethic of Montanans is one of the state's biggest assets."*

Focus Group





# APPRENTICESHIP TRAINING

---

*Provide a stable source of state matching funds for apprenticeship training in Montana.*

## COST

\$140,000 annually

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Labor and Industry  
Montana Labor Organizations  
Independent Sponsors of Apprenticeship  
Montana Department of Commerce  
Montana Department of Public Health and Human Services

## FUNDING SOURCES

General Fund

## ACTION NEEDED

Provide a stable and continuous source of State matching funds for apprenticeship training in Montana. Continue to evaluate the rules, regulations, and practices that exist in apprenticeship programs to be responsive to the changing needs of the industries.

## BENEFITS

Securing a dependable source of apprenticeship training funding will ensure a continual supply of skilled workers to meet the labor needs of new and expanding Montana businesses. It will also provide Montanans with better opportunities for secure and high-paying skilled jobs.

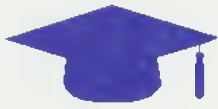
Apprenticeship training is an important method of providing work force skills for certain types of occupations, including building trades crafts, utilities market, and service sector. A permanent funding source will provide an incentive to employers to continue their commitment to provide training and long-term employment for Montanans. It will help offset the high cost carried by employers and labor organization training committees.

Currently, there are 420 independent sponsor employers and 340 union sponsors that have registered apprenticeship programs, with 52% of the apprentices working for non-union sponsors and 48% working in the union sector. For every one dollar the State annually invests in registered apprenticeships, employers pay \$60 in wages and the apprentice contributes \$15.60 in taxes. The estimated amount of taxes paid by Montana apprentices in 1996 was \$4.68 million.

*"Apprenticeships have allowed the Montana Power Company to hire and train the highest quality work force. Our successful apprenticeship programs have provided outstanding linemen, electricians, gas servicemen, and power plant and hydroelectric operators educated with our utility's specific needs in mind."*

Dave Johnson,  
Vice President,  
Utility Services,  
Montana Power Company





# MICROLOAN TECHNICAL TRAINING

---

*Offer counseling, workshops, seminars, and peer networking through teleconferencing, interactive video Internet, and other advanced communication technologies.*

## COST

\$150,000 annually

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Commerce  
Office of Indian Affairs

## FUNDING SOURCES

\$25,000 General Fund  
\$125,000 Federal Funds

## ACTION NEEDED

Supplement existing small business counseling and assistance services provided by the statewide network of Small Business Development Centers and Micro Business Finance Programs, by implementing technical improvements that will allow delivery of business management training and peer networking services directly to rural areas and Native American reservations.

## BENEFITS

Improve access to entrepreneurial training programs by utilizing new communication technology. The goal is to bring assistance to rural businesses rather than make them travel long distances to attend workshops, meetings, and seminars. A secondary benefit would be exposing the rural and Native American business owners to state-of-the-art communications technologies that they can then use to make their rural businesses more competitive. Another benefit is to make more efficient use of individual counselors. By utilizing distance learning technology, standard training programs such as "Going Into Business" and "Writing a Business Plan" can be offered simultaneously at locations throughout Montana. Specialized training and peer information networks can also be offered to link related businesses together throughout Montana. The Microloan Technical Training Officer will also help train existing business assistance providers to use video computers, the Internet, and telephone counseling to make one-on-one counseling more accessible.

*"By using new communication technologies, rural areas will have access to a virtual business counselor at any time."*

Focus Group

*"Technical knowledge is nice to have, but it is rapidly becoming a basic skill that a rural business owner must have in order to remain competitive, not only in Montana or the nation, but globally."*

Focus Group



## LOCAL CAPACITY

TELECOMMUNICATIONS  
CERTIFIED COMMUNITIES  
HOUSING  
REGIONAL WATER SYSTEMS  
TREASURE STATE ENDOWMENT PROGRAM  
TOURISM SIGNAGE  
LOCAL LEADERSHIP GRANTS  
MAIN STREET PROGRAM  
AIRLINES



# TELECOMMUNICATIONS

## *Matching Grant Funds and Highway Right-of-Way*

*Create a telecommunications trust fund using access to state right-of-way as the primary funding source.*

### **COST**

Not Applicable

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Department of Administration  
Montana Department of Transportation  
Montana Department of Commerce

### **FUNDING SOURCES**

Interstate Right-of-Way fees

### **ACTION NEEDED**

The State will provide access to publicly owned right-of-way in exchange for significant benefits for our communities, and encourage telecommunications infrastructure in rural and urban areas of the state.

### **BENEFITS**

Telecommunications facilities allow businesses to overcome Montana's historical geographic disadvantage. Montana's economic life today, and in the future, depends upon our ability to maintain and enhance our telecommunications infrastructure. This strategy will provide funding for public/private partnerships to develop telecommunications infrastructure throughout Montana.

The number of businesses utilizing electronic marketing and commerce technologies is growing daily. A world-class telecommunications infrastructure will attract more technology-based businesses to Montana, provide better jobs, and promote a more diversified economy.



# TELECOMMUNICATIONS

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## *Private Access to State Infrastructure*

*Allow private access to the Statewide Video Network and SummitNet in order to increase demand necessary to encourage private investment and promote economic development.*

### **COST**

None

### **STAFF**

Existing

### **RESPONSIBLE ENTITIES**

Montana Department of Administration

Montana Department of Commerce

### **FUNDING SOURCES**

Not Applicable

### **ACTION NEEDED**

The State can charge shared usage fees to private parties to recoup operating and investment costs, maintain system standards, and operate a single scheduling and control point.

### **BENEFITS**

Telecommunications capability is overcoming Montana's historical geographic isolation and distance from major markets. Opening access to the State's video system is focused on maximizing resources in a rural state that may never move into statewide video communications unless there is a concerted pooling of effort. Partnerships could be forged between the State and private industry for the benefit of both. The State could maintain operations of the system to preserve system standards and a single scheduling point.

There is a legitimate need to evaluate a program for new businesses to access SummitNet. Costs for Internet access are prohibitive in some areas of Montana. Since the State has SummitNet access points in every county, it is technically feasible to give new businesses the opportunity to connect to SummitNet. Connection fees would be the responsibility of individual businesses.



# TELECOMMUNICATIONS

*Electronic Commerce*

*Facilitate and promote commerce and governmental transactions.*

## COST

Not Applicable

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Secretary of State's Office

Montana Attorney General's Office

## FUNDING SOURCES

Not Applicable

## ACTION NEEDED

Validate and authorize the use of electronic records and signatures.

## BENEFITS

Many Montana businesses face barriers to Internet and electronic commercial transactions because electronic signatures and records do not have the same validity and effect of manual signatures. The proposal will facilitate and promote electronic commerce and government transactions, eliminate barriers, and promote public confidence in the validity, integrity, and reliability of electronic transactions.



# CERTIFIED COMMUNITIES

---

*Establish and maintain an active network of local development organizations trained and prepared to respond to changes in the local Montana economic landscape.*

## COST

\$470,000 annually

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Commerce

## FUNDING SOURCES

General Fund

## ACTION NEEDED

Establish and maintain an active network of local development organizations, trained and prepared to respond to economic development opportunities and challenges, by providing State funding for local efforts. Modify the existing program under Title 90, Chapter 1, Part 116 MCA, to provide a maximum of \$25,000 and a minimum of \$5,000 for each participating community based upon 50 cents per capita. Continue to require a one-to-one local match for funding.

## BENEFITS

Provide State financial assistance to communities dealing with the needs and challenges that emerge with both growing and shrinking populations, changes in local job opportunities, local revenues, and infrastructure needs. For both our large and small communities, having the capability to plan for, promote, react to, and help create economic opportunity for our citizens is critical. The extent to which Montana will build a strong and diverse economy in the 21st century will hinge, in large part, on the ability of our local economic development organizations.

*"Economic development doesn't happen without local involvement . . . the State needs to support local economic development."*

Focus Group



# HOUSING

---

*High rent and low wages have created a shortage of affordable housing.*

## **COST**

None

## **STAFF**

Existing

## **RESPONSIBLE ENTITIES**

Montana Department of Commerce

Montana Board of Housing

Montana Home Ownership Partnership

## **FUNDING SOURCES**

Not Applicable

## **ACTION NEEDED**

Authorize property tax relief for rental housing that provides affordable housing to low-income tenants.

Continue efforts of the Montana Home Ownership Partnership to reduce the cost of new house construction.

## **BENEFITS**

The first strategy will result in an increased amount of affordable rental housing. Affordable housing for low-income individuals is at a crisis stage.

The second strategy will make affordable homes available and reverse the downward trend of Montana's home ownership rate. In 1990, Montana ranked 12th in the nation for home ownership. In 1996, Montana fell to 20th in the nation.

Nonprofit entities using Low Income Housing Tax Credits to develop property would receive a property tax exemption, allowing them to reduce rents for low-income tenants. Since these are true public purpose projects, they are serving the lowest income people in the state. Property taxes generally cost projects \$50 to \$75 per unit per month, which is passed on to the tenants, making affordable rents harder to achieve.

The Montana Home Ownership Partnership project is estimated to save over \$5,000 per home on new construction, if a house is built using all available cost-saving factors. Montanans can find out what they need to know when building a house, including the cost-saving factors, by using the House Plan book. This book will contain house plans specifically designed for Montana, have energy efficiency factors built in, and include information on how to go about selecting a lot, obtaining financing, and other pertinent information.





# REGIONAL WATER SYSTEMS

*The State will seek \$30 million in increased bonding authority to fund large, regional water systems.*

## COST

Not Applicable

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Natural Resources and Conservation  
Montana Governor's Office

## ACTION NEEDED

To provide state cost share for large regional rural water systems, the State needs to authorize two proposed water districts and a funding source to generate needed project revenue.

## BENEFITS

The Department of Natural Resources and Conservation in concert with the departments of Commerce and Environmental Quality have been working with the North Central Montana Regional Water System Coordinating Committee to evaluate a proposed regional water system. The system would provide high quality water to 20 smaller rural water and community systems in northcentral Montana and provide the Rocky Boy Reservation with a municipal water system. The estimated cost of this system is \$200 million. At this time, the Coordinating Committee is seeking \$160 million in federal funds, \$20 million in state funds, and \$20 million in local funds. Several communities that would be served by this system are out of compliance with the federal Safe Drinking Water Act. Several more communities will be out of compliance in the near future. Groundwater in the area is generally unsuitable for a drinking water supply. Furthermore, stand-alone treatment plants are estimated to cost more over the planning horizon than the proposed regional system. The source of water for the proposed system is Tiber Reservoir.

A second regional water system is also being reviewed. While not as far along at the state level, the Fort Peck Tribal/Dry Prairie Water District system is seeking federal authorization, and hearings were conducted last summer. This system would provide high quality drinking water throughout the Fort Peck Reservation. At this time, the total project cost is estimated to be \$180 million with \$160 million in federal funding, \$10 million in state funding, and \$10 million in local funds. Ground water in the area is poor, and some communities in the area are out of compliance. Those communities that are in compliance and use ground water have significant problems with sulfates and other impurities. The source of water for the proposed system is the Missouri River below Fork Peck Reservoir.



# TREASURE STATE ENDOWMENT PROGRAM

*Maintain and improve existing infrastructure, including public facilities, water supply systems, sewage treatment systems, housing, and bridges.*

## COST

None

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Commerce

## FUNDING SOURCES

Not Applicable

## ACTION NEEDED

Allow the Governor to approve Treasure State Endowment Program awards on an interim basis during non-legislative periods.

*"Many areas of the state are losing business or failing to attract business because they lack many basic infrastructure needs of businesses."*

Focus Group

*"There needs to be better planning and more long-term thinking on both the local and state levels to meet the infrastructure needs of tomorrow."*

Focus Group

## BENEFITS

Annual funding cycles would enable local governments to use funds more effectively by reducing project coordination problems that significantly increase costs. Public infrastructure projects have become so costly that it is common to have three or more funding sources in addition to increased customer rates. Because the Treasure State Endowment awards are made on a biennial basis, other funding sources, including state and federal sources, are put on hold pending decisions made only once every two years in the Legislature. Ultimately, this increases costs through inflationary factors and planning difficulties. This strategy will allow the Governor to approve award recommendations from the Department of Commerce during the non-legislative year, with the Legislature's approval during the legislative year.





# TOURISM SIGNAGE

---

*Develop and implement a uniform signage policy for tourism-related sites.*

## COST

Undetermined

## STAFF

Existing

## RESPONSIBLE ENTITIES

Montana Department of Transportation

Montana Department of Commerce

Montana Historical Society

Montana Department of Fish, Wildlife, and Parks

## FUNDING SOURCES

Federal Funds when applicable

## ACTION NEEDED

Develop a comprehensive state policy for signage to local tourism locations as well as rest areas and gas to meet the needs of out-of-state visitors and local communities. Signage is particular important in light of the current and growing interest in the Lewis and Clark Corps of Discovery.

## BENEFITS

Over 90% of the visitors to Montana arrive by personal auto or RV. A large portion of the remaining visitors rent vehicles in Montana. Visitor satisfaction surveys conducted by the Institute of Tourism and Recreation Research continually point to the need for better signage. Similarly, other studies have indicated that visitors rely on road and directional signs to lead them to attractions. Montana's neighboring states appear to have a far more unified and comprehensive system to identify major attractions for motorists than is the case in Montana. In addition, communities throughout the state also seem to have difficulty with the current system.

A well designed and maintained signage system would result in more visitation to attractions, increased lengths of stay for visitors, and increased employment and revenues to the state. The average visitor group currently spends \$120 per day in Montana. Increasing the length of stay would have a tremendous economic impact.

*"... highway information signs are one of the most important sources of information used by visitors."*

*Institute of Tourism and Recreation Research,  
September 1997*



# LOCAL LEADERSHIP GRANTS

---

*Provide monetary assistance for local groups in planning for, initiating, and executing effective leadership activities.*

## COST

\$50,000 annually

## STAFF

Existing

## RESPONSIBLE ENTITY

Montana Department of Commerce

## FUNDING SOURCES

General Fund

## ACTION NEEDED

Provide competitive grants to Montana communities for locally designed programs that promote and develop community leadership.

## BENEFITS

Economic development is ultimately a local issue, and effective leadership to maintain and increase the number of citizens involved in local development activities is important to every Montana community, regardless of its size. Many of the initiatives to both mitigate local development challenges and plan for positive community changes are undertaken by local volunteer leaders. Without the continuous process of developing new community leaders, issues of growth and decline, job development, housing, sewer, water, roads, education, and social issues suffer the consequences. This grant program would provide communities across Montana with access to the monetary resources necessary to develop and implement leadership activities.

*"We need to develop local leaders who can help drive economic and community development in rural Montana."*

Focus Group



# MAIN STREET PROGRAM \_\_\_\_\_

*Develop a comprehensive self-help process for revitalizing downtown commercial and historic districts in communities of all sizes.*

## **COST**

\$150,000 annually

## **STAFF**

Existing

## **RESPONSIBLE ENTITY**

Montana Department of Commerce  
Montana Historical Society

## **FUNDING SOURCES**

State Special Revenue

## **ACTION NEEDED**

Revitalization of downtown commercial districts is an effective activity for stabilizing and enhancing community economies. There are currently 43 states that operate statewide programs to assist and support nearly 1,400 active local Main Street Programs. In addition to economic benefits, the Main Street Program preserves historic structures and generates renewed community pride. The program, which operates in both the United States and Canada, is an effective response to declining downtown districts, business dislocation, and resulting out migration.

## **BENEFITS**

By creating and supporting a Montana Main Street Program, the State has an opportunity to halt economic and structural deterioration, especially in our small towns. The comprehensive process, which requires active human and financial participation by local citizens, is designed to be a self-sustaining effort. Long-term benefits include commercial stabilization, population retention, and creation of an attractive community receptive to diversification and economic growth.



# AIRLINES

---

*Expand airline services into and out of Montana.*

## **COST**

Not Applicable

## **STAFF**

Existing

## **RESPONSIBLE ENTITY**

Montana Governor's Office

Montana Department of Transportation

## **FUNDING SOURCES**

Not Applicable

## **ACTION NEEDED**

Work with airport facilities managers to develop a coordinated statewide strategy for expanding services into and out of Montana.

## **BENEFITS**

Air transportation is critical to Montana's ability to attract and keep businesses. Currently, Montana has no coordinated process for development of accessible and affordable air transportation. A coordinated plan will allow the state to implement efficient and affordable air transportation strategies based on priorities selected by citizens and businesses and increase efficiency through resource sharing.



# TAXES AND REGULATIONS

TAXES

ONE-STOP LICENSING AND PERMITTING

ELECTRONIC LICENSING

REGULATORY PERSONNEL CUSTOMER ASSISTANCE TRAINING

DISPUTE RESOLUTION PROCESS





# TAXES

---

*Create a tax structure that meets the needs of Montana businesses and citizens. The vision for Montana's tax structure is based upon establishing and following the guiding principles of taxation; having a balanced tax structure; ensuring that the tax burden for individuals and businesses is balanced and reasonable; generating the same level of revenue as is currently being generated; and establishing and maintaining a respectful financial relationship between state and local governments.*

*"We must provide balanced tax relief in a very visible way and speak to encouraging economic growth."*

Focus Group

## COST

Dependent upon final proposal

## STAFF

Existing

## RESPONSIBLE ENTITY

Montana Governor's Office  
Montana Department of Revenue

## FUNDING SOURCES

Not Applicable

## ACTION NEEDED

To create a balanced tax structure and efficient, equitable tax policies. Generally, balance in a tax system means that many different tax bases are used; taxes are broad-based with a minimum of exclusions and deductions; tax rates are lower, resulting in less distortion of economically efficient decisions; revenue is less volatile; tax adjustments can be made in small increments with minimal economic and administrative disturbance; and taxes do not affect significant business decisions.

## BENEFITS

A balanced tax system creates desirable conditions for business development and allows the state to compete for jobs with other states and countries. A balance among sources and tax types ensures stable revenue and avoids a concentration of tax burdens on a few sources, which can make tax rates distort economic behavior.



# ONE-STOP LICENSING AND PERMITTING

---

*Expand “one-stop business licensing” program to provide business individuals with state licensing, permitting, renewals, registration, and other customer services through one central office.*

## COST

Not Applicable

## STAFF

Existing

## RESPONSIBLE ENTITY

Montana Department of Revenue  
Montana Department of Commerce  
Montana Department of Agriculture  
Montana Department of Public Health and Human Services  
Montana Department of Livestock  
Montana Department of Environmental Quality  
Montana Secretary of State’s Office

## FUNDING SOURCES

Not Applicable

## ACTION NEEDED

Currently, a One-Stop Business Licensing pilot project is serving the licensing and permitting needs of Montana grocery stores, convenience stores, and gasoline stations. The pilot project has been well received by the business community, and expansion of the program is desirable. The intent of the One-Stop Business Licensing expansion is to allow a greater number of state licenses to be included in the program and to allow a wider range of Montana businesses to participate.

## BENEFITS

One-Stop Business Licensing significantly reduces the time and effort for a business to complete license/permit applications, business registrations, and license/permit renewals. The program offers licensing services in one convenient, centralized location. Previously, a business had to contact numerous state agencies to acquire all the licenses required to operate. The program also offers one comprehensive application form and one comprehensive renewal form, significantly reducing the paperwork a business is required to complete.

*“... the most significant step forward in regulatory reform to occur in Montana in over two decades.”*

Focus Group

*“The concept of having one place to apply for all your licensing needs is an excellent one.”*

Major Grocery Store Chain  
(Pilot Program Participant)



# ELECTRONIC LICENSING \_\_\_\_\_

*Enable individuals to complete professional and occupational licensing requirements via the Internet.*

## **COST**

\$340,000 annually

## **STAFF**

Existing

## **RESPONSIBLE ENTITY**

Montana Department of Commerce

## **FUNDING SOURCES**

State Special Revenue

## **ACTION NEEDED**

Pass legislation authorizing professional and occupational licensing requirements to be completed via the Internet.

## **BENEFITS**

This legislation will streamline the process for licensees as well as the Professional and Occupational Licensing Division (POL) by using the Internet as a management tool.

Once all databases are converted, a web page would allow consumers to query the status of licensees. This will be extremely useful to the public, for example, from someone who may need to select a physician in a new city to someone looking for a parent who is not paying child support and may be licensed in the state. Depending on the information placed on the web page, the license number, home address, and work address may be available to consumers. This system was created to expand and enhance the current program and to combine all data from every database in POL.

Once all databases are incorporated into the new Oracle system, POL will create a web page that will enable the public to query licensees, renew existing licenses, and submit information to obtain a license.



# REGULATORY PERSONNEL CUSTOMER ASSISTANCE TRAINING

---

*Improve customer assistance skills of state employees performing regulatory activities.*

## COST

\$60,000 annually

## STAFF

Existing and contract instructors  
Professional Development Center

## RESPONSIBLE ENTITY

Montana Department of Administration

## FUNDING SOURCES

State Special Revenue

## ACTION NEEDED

Implement a customer assistance training program for state and local government employees whose jobs include regulatory activity. Communication on regulatory issues is difficult for both employees and citizens. A comprehensive training program would focus on providing quality customer service through effective, win/win communication skills, managing conflict, and coping with anger and stress.

## BENEFITS

By current estimates, over 6,000 state and local government jobs include regulatory activity. For many citizens and businesses, their primary contacts with government involve regulatory issues. From these contacts come many of the complaints about "bureaucracy," "regulatory madness," and "gobbledygook." The concept of the regulated entity as the "government's customer" is new to government employees, and few of them have ever received any training in customer service. By working with government employees to improve communication and service skills, the State can create a friendlier business environment. This doesn't mean that people and businesses wouldn't have to abide by regulations. Rather, it means that employees could better explain regulations, handle disagreements, and listen to the concerns of those whose situations differ from "the book."



# DISPUTE RESOLUTION PROCESS\_\_\_\_\_

*Encourage business expansion by having cost-effective processes in place to promote quick resolution of employment-related disputes.*

## COST

None

## STAFF

Existing

## RESPONSIBLE ENTITY

Montana Department of Labor and Industry

## FUNDING SOURCES

Not Applicable

## ACTION NEEDED

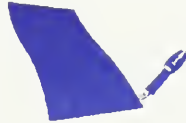
Simplify employment-related dispute resolution processes for Montana businesses. Continue to provide employer assistance through employment resource staff at local Job Service centers.

## BENEFITS

Encourage business expansion by making it easier and less costly to resolve employment-related disputes. Offer mediation services to settle cases without litigation, which can result in a 30% cost savings for businesses. Increase accessibility to employment law information.

*" . . . a positive step toward removing barriers and reducing costs for all parties involved."*

Focus Group



# LEGISLATIVE AGENDA AND ANNUAL FUNDING



# STRATEGIC BUSINESS EXPANSION

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
BUSINESS RECRUITMENT	-----	\$425,000 General Fund	Governor's Office Department of Commerce Department of Agriculture
BOARD OF INVESTMENTS INFRASTRUCTURE	Amend MCA 17-6-311 and 17-6-309 (Infrastructure Tax Credit).	-----	Department of Commerce
DNRC BOND AND GRANTS INCREASE IRRIGATED ACRES	Authorize an additional \$10 million in bonding authority.	\$330,000 General Fund \$60,000 Federal/Private \$2 million Resource Indemnity Trust (RIT)	Department of Natural Resources and Conservation Department of Agriculture
VENTURESTAR	Eliminate the business property tax and issue \$20 million in infrastructure bonds for VentureStar.	-----	Governor's Office Department of Revenue Department of Commerce
SMALL BUSINESS INVESTMENT COMPANIES	Amend Montana Capital Company Act and Science and Technology legislation.	-----	Department of Commerce Montana Ambassadors
COOPERATIVE DEVELOPMENT CENTER	Establish assistance and access to financing for forming agricultural cooperatives.	\$62,500 General Fund \$300,000 Federal Funds	Montana State University Department of Agriculture USDA Rural Development Department of Commerce
GROWTH THROUGH AGRICULTURE	Create a source of low-cost, long-term capital for investment in agriculture and related businesses.	\$1 million General Fund	Department of Agriculture
INCOME TAX CREDIT FOR JOB TRAINING	Authorize an income tax credit for job training.	-----	Department of Revenue Department of Commerce
ECONOMIC GROWTH	Amend Montana Foreign Capital Depository Act.	-----	Department of Commerce



## MARKET DEVELOPMENT

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
SPECIALTY MARKETS AND MARKETING DEVELOPMENT	-----	\$100,000 General Fund	Department of Commerce Department of Agriculture <i>GROWTH THROUGH AGRICULTURE</i>
FOREIGN INITIATIVES	Increase foreign trade efforts and pass a joint resolution supporting a sister-state relationship with Guangxi, China.	\$200,000 General Fund	Department of Commerce Department of Agriculture World Trade Center





## MARKET DEVELOPMENT

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
AGRICULTURE PRODUCT PROMOTION	-----	\$197,000 General Fund	Department of Agriculture
INCREASE FILM PRODUCTION IN MONTANA	Authorize a corporate tax credit for motion picture companies hiring labor and purchasing goods and services in Montana. Provide state-owned property and land at no charge as filming locations.	-----	Department of Commerce



## HIGH-VALUE PRODUCTS

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
ALTERNATIVE CROPS	-----	\$1.5 million General Fund \$1.5 million Private	Montana State University Department of Agriculture
RESEARCH AND COMMERCIALIZATION	Pass legislation creating the Research and Commercializa- tion Commission.  Authorize reinvestment of Science and Technology proceeds into the Research and Commercialization Commission.	\$4.21 million General Fund \$1.5 million Coal Trust	Governor's Office Department of Agriculture Department of Commerce
MANUFACTURING AND AGRICULTURE EXTENSION CENTERS	-----	\$290,000 General Fund \$508,000 Federal	Montana State University Department of Commerce Department of Agriculture U. S. Department of Commerce
AGRICULTURE CHECK-OFF PROGRAM	Pass legislation to allow agri-business check-off programs.	-----	Department of Agriculture Montana Agricultural Organizations
SMALL BUSINESS INNOVATION RESEARCH GRANTS	-----	\$50,000 General Fund \$100,000 Federal	Department of Commerce



## BUSINESS TECHNICAL ASSISTANCE

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
SMALL BUSINESS DEVELOPMENT CENTERS	-----	\$125,000 General Fund \$153,000 Federal	Department of Commerce Small Business Administration
AGRICULTURE BUSINESS ASSISTANCE	-----	\$170,000 General Fund	Department of Agriculture
RAIL TRANSPORTATION TECHNICAL ASSISTANCE	-----	\$50,000 State Special Revenue \$25,000 Private	Department of Transportation Department of Agriculture Department of Commerce Governor's Office



## SKILLED WORK FORCE

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
BUSINESS START-UP AND EXPANSION TRAINING	-----	\$85,000 General Fund	Department of Commerce Department of Agriculture
APPRENTICESHIP TRAINING	-----	\$140,000 General Fund	Department of Labor and Industry Department of Commerce
MICROLOAN TECHNICAL TRAINING	-----	\$25,000 General Fund \$125,000 Federal	Department of Commerce



## LOCAL CAPACITY

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
MATCHING GRANT FUNDS AND HIGHWAY RIGHT-OF-WAY	Create Telecommunications Trust Fund.	Interstate Right-of-Way Fees	Department of Administration Department of Transportation Department of Commerce
PRIVATE ACCESS TO STATE INFRASTRUCTURE	Authorize private access to State telecommunications/video infrastructure.	-----	Department of Administration Department of Commerce
ELECTRONIC COMMERCE	Pass legislation validating and authorizing electronic signatures and transactions.	-----	Secretary of State's Office



## LOCAL CAPACITY

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
CERTIFIED COMMUNITIES	Amend the Certified Communities Statute.	\$470,000 General Fund	Department of Commerce
HOUSING	Authorize tax relief for rental housing.	-----	Department of Revenue Department of Commerce
REGIONAL WATER SYSTEMS	Authorize \$30 million in bonds.	-----	Department of Natural Resources and Conservation Governor's Office
TREASURE STATE ENDOWMENT PROGRAM	Authorize the Governor to approve TSEP awards during non-legislative years.	-----	Montana League of Cities and Towns Department of Commerce
LOCAL LEADERSHIP GRANTS	-----	\$50,000 General Fund	Department of Commerce
MAIN STREET PROGRAM	-----	\$150,000 State Special Revenue	Department of Commerce Historical Society



## TAXES AND REGULATIONS

STRATEGY	ACTION	ANNUAL FUNDING	AGENCY
ONE-STOP LICENSING AND PERMITTING	Pass legislation expanding one-stop licensing and permitting services.	-----	Department of Revenue Department of Commerce Department of Transportation Department of Labor and Industry Department of Agriculture Department of Public Health and Human Services Department of Livestock Secretary of State
ELECTRONIC LICENSING	Initiate professional and occupational licensing via the Internet.	\$340,000 State Special Revenue	Department of Commerce
REGULATORY PERSONNEL CUSTOMER ASSISTANCE TRAINING	-----	\$60,000 State Special Revenue	Department of Administration



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<http://www.state.mt.us>



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